



Piedmont
Natural Gas

December 14, 2007

2005-135-G

VIA OVERNIGHT DELIVERY

Mr. Charles Terreni
Chief Clerk and Administrator
South Carolina Public Service Commission
101 Executive Center Dr., Suite 100
Columbia, SC 29210

Dear Mr. Terreni:

Re: Filing of Quarterly Monitoring Report by Piedmont Natural Gas Company, Inc.
Pursuant to S.C. Code §58-5-430

Pursuant to Section 58-5-430 of the South Carolina Natural Gas Rate Stabilization Act, enclosed is the quarterly monitoring report for the twelve-month period ending September 30, 2007, for Piedmont Natural Gas Company, Inc. Please accept the original and 25 copies for filing.

If you have any questions about this filing, you may reach me at 704-731-4259 or David Carpenter at 704-731-4242.

Sincerely,

Pia Powers
Manager - Regulatory Affairs

Enclosures

cc: ORS - Carey Flynt (5 copies via overnight delivery)
Scott Elliott
James H. Jeffries IV

SC PUBLIC SERVICE
COMMISSION

2007 DEC 17 AM 10:12

RECEIVED

CERTIFICATION

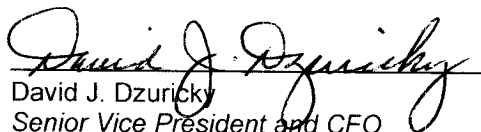
I, Thomas E. Skains and David J. Dzuricky, state and attest, under penalty of perjury, that the attached Quarterly Monitoring Report is filed on behalf of Piedmont Natural Gas Company, Inc. as required by the Public Service Commission of South Carolina; That I have reviewed said report and, in the exercise of due diligence, have made reasonable inquiry into the accuracy of the information and representations provided therein; and that, to the best of my knowledge, information and belief, all information contained therein is accurate and true and contains no false, fictitious, fraudulent or misleading statements; that no material information or fact has been knowingly omitted or misstated therein, and that all information contained therein has been prepared and presented in accordance with all applicable South Carolina general statutes, Commission rules and regulations, and applicable Commission Orders. Any violation of this Certification may result in the Commission initiating a formal earnings review proceeding.



Thomas E. Skains
President and CEO

12/14/07

Date Signed



David J. Dzuricky
Senior Vice President and CFO

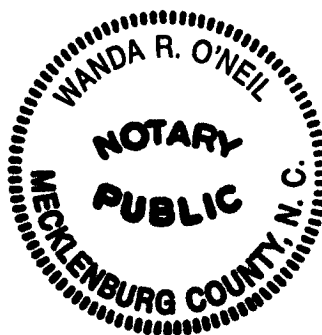
12/14/07

Date Signed

Subscribed and Sworn to before me this
14th day of December, 2007.


Notary Public Wanda R. O'Neil

My Commission Expires April 24, 2011



Net Operating Income and Rate of Return
For The Twelve Months Ended September 30, 2007
South Carolina
Page 1 of 2

	(1)	(2)	(3)
	<u>Per Filing</u>	<u>Accounting And Pro Forma Adjustments</u>	<u>After Pro Forma Adjustments</u>
Operating Revenues			
Sale of Gas	\$ 207,405,874	\$ 7,013,988	\$ 214,419,862
Other Operating Revenues	990,182	-	990,182
	=====	=====	=====
Total Operating Revenue	\$ 208,396,055	\$ 7,013,988	\$ 215,410,043
	=====	=====	=====
Operating Expenses			
Cost of Gas	\$ 129,383,890	\$ 10,488,700	\$ 139,872,590
Other Operation & Maintenance	29,852,233	(434,434)	29,417,799
Depreciation	11,420,291	278,334	11,698,624
General Taxes	5,830,995	516,244	6,347,239
State Income Taxes	1,598,765	(220,946)	1,377,819
Federal Income Taxes	7,878,846	(1,077,823)	6,801,024
Amort. of ITC	(60,024)	-	(60,024)
	=====	=====	=====
Total Operating Expenses	\$ 185,904,995	\$ 9,550,075	\$ 195,455,071
	=====	=====	=====
Net Operating Income	\$ 22,491,060	\$ (2,536,087)	\$ 19,954,973
	=====	=====	=====
Interest on Customer Deposits	126,317	-	126,317
Amortization of Debt Redemption Premium	(14,721)	(7)	(14,728)
AFDUC	241,503		241,503
Customer Growth	169,972	(19,304)	150,668
	=====	=====	=====
Net Operating Income For Return	\$ 23,014,131	\$ (2,555,399)	\$ 20,458,732
	=====	=====	=====
Original Cost Rate Base			
Plant in Service	\$ 368,554,506		\$ 368,554,506
Accumulated Depreciation	(135,356,884)		(135,356,884)
	=====	=====	=====
Net Plant in Service	\$ 233,197,622	\$ -	\$ 233,197,622
Add:			
Construction Work in Progress	4,541,005		4,541,005
Materials and Supplies	20,977,069		20,977,069
Cash Working Capital	3,510,948	(54,304)	3,456,644
Deduct:			
Customer Advances for Construction	3,599		3,599
Customer Deposits	3,414,424		3,414,424
Accumulated Deferred Income Taxes	35,004,548		35,004,548
Unclaimed Funds	393,346		393,346
	=====	=====	=====
Total Original Cost Rate Base	\$ 223,410,728	\$ (54,304)	\$ 223,356,424
	=====	=====	=====
Return on rate base	10.30%		9.16%
	=====		=====

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	After Accounting and Proforma Adjustments							
	Per Books Capitalization	Accounting and Pro Forma Adjustments	Capitalization	Ratio %	Cost Net Investment	Embedded Cost %	Overall Cost Rate %	Net Operating Income
1. Long-Term Debt	\$ 835,513,967	0	\$ 835,513,967	48.90%	\$ 109,226,708	6.91%	3.38%	\$ 7,550,842
2. Common Equity	873,018,816	0	873,018,816	51.10%	114,129,716	11.31%	5.78%	12,907,889
3. Total	\$ 1,708,532,783	0	\$ 1,708,532,783	100.00%	\$ 223,356,424		9.16%	\$ 20,458,732